

Statement of Kaiulani J. Lambert

On February 23, 2007, Kaiulani J. Lambert, employee of Bureau of Conveyances (BOC), Department of Land and Natural Resources (DLNR), State of Hawaii (SOH) was contacted by Hilton J. Lui. Upon contact Lambert was informed by Lui that he has been retained as an Investigator for the Hawaii State Ethics Commission whose Executive Director is Dan Mollway. Lambert advised her current address is 47-142 Iuiu Street, Kaneohe, HI 96744 and her work telephone number is 587-0135.

Lambert advised she did not need any Union representation for the interview.

Lambert advised she will be an employee of the BOC for 10 years in March of this year. She started on 3/17/97. Lambert started as a SR-11, and currently serves as a Receiving Clerk.

Lambert advised ever since she has been employed it had been a common practice for companies to give various items to the BOC. Lambert didn't think anything of it and no one said anything of it. Lambert added that most of the items were delivered during the Christmas holidays and items included gift baskets, cookies, coffee, cake, and gift certificates. These items were delivered when their customers came in and took it to Carl Watanabe's office. Items came from attorneys' offices, title companies and general patron who came in. Items were collected and numbers were put on them and during their office Christmas party and raffled off so that everybody got something. Lambert advised she participated on special projects where companies who the work was for bought lunch for everybody. This was mostly for title companies.

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Lambert did not have personal knowledge of people at the BOC who received something of value, but the hearsay was that trips were received by Carl Watanabe from Marriott who owned all of the time shares and who had the big projects. Lambert recalled here was a case where the BOC would have collected "big money" on one of the projects for Marriot but it was given away by Watanabe and the state lost big money on that. Lambert added that Marriott has a lot of recordings and their timeshares in particular. Each apartment has 52 weeks a year where different owners are assigned and money is being generated on the issuances of the certificates of title. Lambert added there was an instance where a whole book was not issued. The recording fee for certain projects is \$75 per unit plus the conveyance tax. The conveyance tax would be determined by how many weeks the purchase is for and the type of unit which is purchased. Marriott used all of the title companies where title companies would bid for their business.

Lambert advised that currently if Title Guaranty need a favor Sandra Furukawa would come to or contact Nicolene Gega-Chang who is the "backbone" and Gega-Chang would get Rexford Davis who would come in and correct stuff.

Lambert advised there one instance where something had to be fixed and they at the front said, "no." Lambert added the normal procedure is if there is a correction to be done you would have to do it by way of "amendment." Lambert explained if it is something that is simple and can be fixed like a page or so that is not too bad, but not a project, like if the endorsements is wrong on the whole thing. Lambert added title companies are insuring title therefore it is their responsibility that their documents are in recordable fashion. If it is a big mistake, to fix it you have to correct

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it by having it re-recorded. This is not something that you can do overnight and try and fix it at the final hour or maybe the next day. Lambert added she is also not agreeable by favoring one company over another. They should be fair of people across the board. Lambert added if there is something that is missing and they missed it they would accommodate the title company, so they would give the corrected page and it hasn't been scanned. Lambert added something they can fixed that day they can do it. Something that is fixed days later is against the law, totally.

Lambert was made aware recently that access to their main frame could be made from the outside. Since that time Lambert was made to change her password. Lambert advised she can still log on anyone's computer in their office and gain access. Lambert advised she can log on to any computer within her office to make changes.

Lambert advised she made a trip to Las Vegas with the people she used to hang with. Lambert advised she went with Nicolene Gega-Chang and her friend Angie made the arrangements. Lambert believed there was no connection to any title companies at all. Lambert added whether there was pay for be anyone else she does not know. Angie may have worked for First American Title at the time. Lambert paid for her trip in cash. Lambert advised the trip was in 1998. Lambert added Rexford Davis, Michelle Pang, Nicole Gega-Chang, Angie, and Faith who was working at the BOC at the time. Faith was Angie's sister. Lambert was not aware of whether the fees for the trip were supplemented by anyone.

Lambert was not aware of anyone who has taken trips whose travel, hotel, etc. was supplemented by someone else. Carl Watanabe is the only person at work who went on trips to conventions.

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provided by Kaiulani Lambert 3/14/07

Kaiulani J
Lambert/DLNR/StateHiUS
02/21/2007 12:03 PM

To Dennis T Ihara/DLNR/StateHiUS@StateHiUS
cc Robert K Masuda/DLNR/StateHiUS@StateHiUS, Peter T
Young/DLNR/StateHiUS@StateHiUS
bcc Zelei M Abordo/DLNR/StateHiUS@StateHiUS; Scot K
Chang/DLNR/StateHiUS@StateHiUS; Linda G
Gomes/DLNR/StateHiUS@StateHiUS; Harriet H
Enrique/DLNR/StateHiUS@StateHiUS; Michelle I
Pang/DLNR/StateHiUS@StateHiUS; Susan De
Jesus/DLNR/StateHiUS@StateHiUS
Subject

FEBRUARY 21, 2007

HI DENNIS,

SHEILA ORTIZ CAME TO ME WITH SOME PAPER WORK FOR TITLE GUARANTY(CRAIG ENDO-ESCROW OFFICER) TO DO CORRECTIONS ON A CONVEYANCE TAX.ABOUT 11:30 AM TODAY. SHE WAS INSTRUCTED TO BRING CONVEYANCE TAX FORM AND GENERATE THE UNRECORDED LABEL TO BE FILED FOR TITLE GUARANTY.

NORMALLY I WOULD NOT HAVE A PROBLEM WITH THESE DUTIES. HOWEVER, I FEEL THAT CARL KNOWS FULL WELL THAT HE IS NOT PART OF THE BUREAU OF CONVEYANCE AND THERE IS A CHAIN OF COMMAND. IF TITLE GUARANTY HAS ANY PROBLEMS THEY KNOW THAT THEY NEED TO COME TO US IN RECEIVING DIRECTLY AND TALK TO THE SUPERVISORS NOT SEND HIS SUBORDINATES TO DO HIS BACK DOOR DEALINGS. IT MAKES ME QUESTION HIS MOTVIES AND WHAT OTHER UNETHICAL BACK DOOR DEALS IS HE MAKING AND CO-ORDINATING WITH ONLY A SELECT FEW. TITLE GUARANTY IN PARTICULAR. IT IS MY UNDERSTANDING THAT YOU, DENNIS IS OUR ADMINISTRATOR IN THIS OFFICE. IT WOULD APPEAR THAT THIS WOULD UNDERMINE YOUR INTEGRITY. LIKE I SAID TITLE GUARANTY KNOWS THAT THIS IS A SIMPLE TASK WHICH DOESN'T REQUIRE MUCH FOR US TO DO AND UNDER ANY OTHER CIRCUMSTANCES IS NOT A PROBLEM. CARL KNOWS THAT ALL HE HAD TO DO IS TALK TO MICHELLE OR DIRECT THE SITUATION TO THE PROPER CHANNELS OR PEOPLE IN THE BUREAU OF CONVEYANCE.

I LOOK FURTHER TO ANY CORRESPONDENCE YOU MAY HAVE.

ALOHA

KA'IULANI J. LAMBERT

By the way the check expired so Michelle had
a copy of the conveyance Tax & check.
JOB# MCLAR AG1060414 (Escrow#)

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STATE OF HAWAII — DEPARTMENT OF TAXATION
CONVEYANCE TAX CERTIFICATE
(Please Type or Print)

DO NOT WRITE OR STAPLE IN THIS SPACE

PART I

1. TAX MAP KEY INFORMATION:

TAX MAP KEY				
	S	PLAT	PARCEL	CPR NO.
3	9	008	036	0031

Island OAHI Apt. No. COB331

2. NAMES OF PARTIES TO THE DOCUMENT:

SELLER(S) / TRANSFEROR(S) / GRANTOR(S), ETC.

KIN TZY SO

YIN PING-K SO

PURCHASER(S) / TRANSFEREE(S) / GRANTEE(S), ETC.

JOSEPH DEAN MCLARNEY

3. REAL PROPERTY TAX INFORMATION:

If the document will not be recorded, please provide: (1) land area; and (2) address or short legal description of property: _____

Please provide mailing address for assessment notice (do not enter "Same" or "No Change"):

NAME

ADDRESS

ZIP

MR JOSEPH MCLARNEY, 3051 E IRWIN AVE, , MESA, AZ

85204

Please provide real property tax billing address, if different from assessment address (do not enter "Same" or "No Change"):

NAME

ADDRESS

ZIP

PART II. TAX COMPUTATION AND BALANCE DUE:

1. DATE OF TRANSACTION	1.	
2. Amount from Page 2, Part IV, line 1, 2c, 3c, or 4c	2.	780,000.00
3. Less: personal property included in amount on line 2, if applicable	3.	
4. Difference — Actual and full consideration (line 2 minus line 3)	4.	780,000.00

By checking this box and signing below, the Purchaser(s)/Transferee(s)/Grantee(s), etc. attest under penalties set forth in the declaration below, that this transaction, is **EITHER**:

- Not a sale of a condominium or single family residence OR
- The purchaser is **ELIGIBLE** for a county real property tax homeowner's exemption with respect to the property conveyed. 5. ☒ **XX**

6. Enter the applicable Conveyance Tax Rate:

If the amount on Line 4 is:	And the box on Line 5 ...		
	IS NOT checked.	IS checked.	
Less than \$600,000	.0015	.0015	x 0.0020
\$600,000 or more but less than \$1,000,000	.0025	.0025	
\$1,000,000 or more	.0035	.0035	

7. Conveyance Tax (Multiply line 4 by line 6 and round to the nearest ten cents (\$.10) ... 1,560.00

8a. Penalty. For late filing (See Instructions) 0.00

8b. Interest. For late payment (See Instructions) 0.00

PREVIOUSLY PD \$757.50, REFUNDED \$252.50, NET \$505.00

NET DUE

9. Total Balance Due (Add lines 7 and 8) 1,560.00

DECLARATION ORIGINAL DOCUMENT # 2006-122548

I (We) declare, under the penalties prescribed for false declaration in section 231-36, Hawaii Revised Statutes (HRS), that this certificate (including accompanying schedules or statements) has been examined by me (us) and, to the best of my (our) knowledge and belief, is a true, correct, and complete certificate, made in good faith, for the actual and full consideration paid on the conveyance to which this certificate is appended, pursuant to the Conveyance Tax Law, chapter 247, HRS. Note: You must have a power of attorney if signing as agent.

SIGNATURE(S) - Sellers(s)/Transferor(s)/Grantor(s), Etc.

(If agent is signing, print or type name below signature)

SIGNATURE(S) - Purchaser(s)/Transferee(s)/Grantee(s), Etc.

(If agent is signing, print or type name below signature)

DAYTIME PHONE NO.: () _____

E-MAIL ADDRESS: _____

DAYTIME PHONE NO.: () _____

E-MAIL ADDRESS: _____



Title Guaranty
Escrow Services, Inc.
HONOLULU, HAWAII
ESCROW CUSTODIAL ACCOUNT

BUYER'S LAST NAME	ESCROW NUMBER	T2G INV
	MCLAR A61060414	

THE FACE OF THIS DOCUMENT HAS MICROPRINTING DO NOT CASH IF MISSING

Ref: CTC Correction

NO. 121-106 065064 ⁵⁹⁻¹⁰²
1213



SECURITY
FEATURES INCLUDED
DETAILS ON BACK

King Street Branch
BANK OF HAWAII
Honolulu, Hawaii

VOID IF NOT CASHED WITHIN 60 DAYS

PAY * ONE THOUSAND FIFTY FIVE DOLLARS AND NO
CENTS

DATE 7/28/2006 \$ *****1055.00

Title Guaranty Escrow Services, Inc.
ESCROW CUSTODIAL ACCOUNT

TO THE
ORDER
OF

BUREAU OF CONVEYANCES
KALANIMOKU
1151 PUNCHBOWL ST
HONOLULU HI 96813

BY  _____

BY _____

Two Signatures Required on Amounts Over \$5,000.00


200469

"065064" 121301028 0025017757"

ENDORSE HERE

X 02/21/2007 800241 FOR DEPOSIT ONLY

LOC #0301 Acct #01-000487
OLNR-800
STATE DIRECTOR OF FINANCE
FIRST HAWAIIAN BANK
DO NOT WRITE BELOW THIS LINE

Listed below are the security features provided on this document. Absence of these features may indicate alteration / duplication. DO NOT CASH	
	
Security Features:	Results of check alteration / duplication
Micro Printing	Small type in signature line appears blurred if copied or scanned.
Void Pantograph	Void appears in pantograph when color copied.
Artificial Watermark	Missing graphic design placed into paper when manufactured. Watermark not visible when document held to light.
Backer Security Screen	Absence of the words "Original Document" on the back of the document.

®Padlock design is a certification mark of Check Payment Systems Association

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Dennis T
lhara/DLNR/StateHiUS
02/21/2007 03:44 PM

To Kaiulani J Lambert/DLNR/StateHiUS@StateHiUS
cc Robert K Masuda/DLNR/StateHiUS@StateHiUS
Subject Re: [REDACTED]

Mahalo. Inform the investigator about the incident.

Dennis

Kaiulani J Lambert/DLNR/StateHiUS

Kaiulani J
Lambert/DLNR/StateHiUS
02/21/2007 03:28 PM

To Dennis T lhara/DLNR/StateHiUS@StateHiUS
cc Robert K Masuda/DLNR/StateHiUS@StateHiUS
Subject Re: [REDACTED]

CRAIG ENDO

SHEILA DIDN'T TELL ME ANYTHING. I SAW A BUNCH OF PAPERWORK MADE TO HIS ATTENTION FROM ~~CARIG~~ ENDO. WHEN I ASKED SHEILA HOW COME YOU GUYS ARE GETTING ALL THIS STUFF, SHE TOLD ME "I DON'T KNOW ? SHE DIDN'T SAY CARL INSTRUCTED HER TO DO ANYTHING. I KNOW SHE WAS UNCOMFORTABLE WITH THE SITUATION SO I DIDN'T BOTHER PURSUING THE MATTER. . THE IMPRESSION I GOT FROM HER, CLEARLY WAS THAT SHE DIDN'T WANT TO GET INVOLVED BUT SHE KNOW'S THAT THIS IS WRONG. BUT AGAIN THIS IS A SIMPLE TASK. SO WHY THE BIG DEAL RIGHT? KIND OF ATTITUDE. I MAY BE ASSUMING, SO DON'T TAKE MY WORD FOR THIS. THERE IS ABSOLUTELY NO REASON FOR THEM TO GET ANYTHING FROM ANY OF THE TITLE COMPANIES.

I ASKED MARK FROM TG ABOUT THEIR PROTCOL ABOUT THIS MATTER AND WHO IS THIS GUY CRAIG ENDO? HE TOLD ME THAT HE IS A ESCROW OFFICER FOR TG. HE SAID THAT HE UNDERSTOOD THAT IF THERE IS CORRECTIONS TO THE CONVEYANCE TAX ALL THEY HAD TO DO IS COME TO US TO PAY FOR THE DIFFERENCE. THAT IS IT. HE SAID HE WOULD TALK TO CRAIG. I TOLD HIM I WOULD TAKE CARE OF THIS.

KA'IU

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